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Government
Publications

2 [MINISTRY OF TREASURY, ECONOMICS
AND INTERGOVERNMENTAL AFFAIRS

3 [LOCAL GOVERNMENT DIVISION

4 [BULLETIN NO: 6

BARGAINING INFORMATION

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MAY 1978



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Introduction

This bulletin is one of a series produced by the Local Government Division of the Ministry of Treasury, Economics and Intergovernmental Affairs.

The subject of this bulletin will be of practical interest to all municipalities that have trade unions or employee associations with which they negotiate for wages, salaries, benefits and working conditions. It will also be of interest to municipalities who do not deal with unions, since they too must gather valid information if they wish to have a fair and objective means of establishing rates of pay, benefits and working conditions for their employees.

Gathering, compiling and analyzing bargaining information can be an extremely complex process, particularly in situations where the municipality must deal with a large union. It is important, therefore, that the process be followed methodically and that as many sources of information as possible be considered.

It is also important to remember that good, up-to-date information can make all the difference between a collective agreement that is costly, cumbersome or embarrassing to the municipality and one that is reasonable and fair both to the municipality and to its employees.

Sources of Information

There are a large number of sources of information available to the municipal employer all of which can be used at one time or another, depending upon the specific purpose of the information or the job for which the information is needed.

Most bargaining information is obtained by municipal employers through participating in or subscribing to a formal survey. These surveys are conducted by various provincial and national associations and bodies. An example is the surveys that are conducted by the Labour Relations Co-Ordinator of the Association of Municipalities of Ontario and in which all municipalities in the Province are invited to participate. These A.M.O. surveys are, of course, limited to jobs that are exclusive to municipal governments. Broader surveys are conducted by the federal Pay Research Bureau and its Provincial counterpart the Pay Research Section of the Ontario Civil Service Commission. Participation in these latter surveys is usually by invitation only.

In many cases, a local chamber of commerce or a board of trade will conduct an annual survey of employers within the municipality. Typically, this survey will include office and clerical jobs that are common to business, industry and government. They are valuable if you wish to ensure that the wages and benefits earned by your employees are not out of line with those of the community.

Other surveys are conducted by individual employers, both in the public sector and in the private sector. These surveys are usually undertaken on a once-only basis, and for a specific reason (such as where the information could not be obtained from ordinary sources). Participation in this type of survey is normally only by invitation of the organization that conducts it.

Finally, there is the ongoing survey that you conduct yourself. In all likelihood, this is an informal survey (although, on occasion, it may be written and formal) conducted by telephone or casually in conversation. In fact, a major portion of bargaining information is obtained this way, and the process takes place on a continuing basis. The process is more intense immediately prior to bargaining time, but goes on at conferences and meetings all throughout the year via casual questions and comments on the size of a settlement, a new and perhaps unique benefit or improvements to the pension package.

In addition to the foregoing, Canada Labour Views produces a periodical, "Facts and Trends in Labour Relations", which gives up-to-date information on settlements that are reached in organizations in the public and private sectors. Information as to subscription rates can be obtained by writing to The Canadian Labour Views Company Limited, 1250 Bay Street, Suite 301, Toronto, Ontario, M5R 2B2.

The Ministry of Labour of the Province of Ontario also maintains a collective-agreements library in which are filed copies of all major collective agreements in the Province. Information as to the services they provide can be obtained by writing to Collective Agreements Library, Ministry of Labour, 400 University Avenue, Toronto, Ontario, M7A 1T7.

Analysis of Information

Regardless of the source, or sources, of information that you decide to use in developing your bargaining position, the raw data must undergo analysis before it is really useful. For example, it is not enough to know that the high salary for a job is \$X and the low salary is \$Y; you must also know the average. This analysis takes place during the collecting of information as well as after it has been collected. The following, then, are some of the points that you, as a municipal employer, should remember as you develop the information you will be using during bargaining.

- Make certain that the information you obtain is complete; make sure you have the whole story. It is not sufficient just to know that an organization you contact provides a certain benefit for its employees; you must also know how much of the cost is paid by the employer, how much by the employee, how long the benefit lasts, and so on.
- Be sure that you are talking about the same job when you obtain wage information. The clerk of a municipality of 50,000 population is not the same job as the clerk of a municipality with 5,000 population. A typist who types from handwritten copy only is not the same job as a typist who takes shorthand. Don't depend exclusively on job titles.
- Make sure the information you obtain is current. Wage data that are a year old are not really of much value as the wages will likely change before you get a chance to use the information.
- Don't get all of your information from traditionally low-paying or high-paying industries. This can result in a great deal of difficulty in reaching agreement with your union or in a high cost for your municipality. The union cannot accept the low figures; the municipality cannot accept the high.
- Don't contact only other municipalities when you gather your information. Include some companies in your own municipality so that your bargaining information will reflect the community attitude as well as the unique character of municipal government.
- Assess the effect of the whole compensation package when you analyze the information you have gathered. What appear at first to be low wages, for example, may be offset by generous benefits or liberal working conditions.

- Consider both the actual rates that are paid by other municipalities and organizations in the private sector and the rates of increase that have occurred recently. It is not sufficient to know that a union settled with an employer for, say, 10%. You must also know 10% of what - wages or wages and benefits? what was the previous rate of pay? what are the cents-per-hour involved?

You will probably find that it is not always necessary to do all of the above. It will depend upon the relationship you have with your union and the package that is being negotiated. You may not have to depend on provincial or national surveys if there is a local survey in which you and the union have confidence.

There is, however, one thing you must be prepared to do. You must be ready to consider all of the foregoing points when the union throws its statistical data at you. If that information differs from your own (and there is every reason to believe that it will) then you must be able to refute it. And the only way you can do this is by ensuring that your information is valid and has been subjected to a thorough analysis.

You should also, of course, make sure that you have complete information on your own pay and benefit rates and policy. You should have precise information on the cost to the municipality of each benefit so that you can calculate the cost of a union demand very quickly. The same applies to rates of pay; you should calculate average earnings and premium pay before you bargain so as to simplify calculating the cost of proposed changes in vacation or overtime policy.

Using The Bargaining Information

There are, basically, only two situations in which the bargaining information you have so carefully gathered can be used. The first, of course, is at the bargaining table. As is well known in collective bargaining circles, bargaining depends as much on the skill of the negotiators involved as it does on the statistics available. (If it depended only upon statistics, there would be little need for bargaining.) If you have not obtained any information, you have little other than your own skill as a debater to refute the union's demands. On the other hand, if the union sees that you have done your homework, it may come to respect your information and be more receptive to the position you take during bargaining.

The second use is if, as, and when negotiations bog down and you find yourself before an arbitrator or arbitration board. An arbitrator will be more likely to be impressed by factual statistical information than he will by emotional argument. At this point, it is critical that your bargaining information be valid, relevant and up-to-date; and you must be able to substantiate it. It is too late to start developing information after negotiations with the union break down, so you must assemble it from the very beginning of preparations for bargaining.

Summary

If you have been conscientious in gathering and analyzing your information, you should be able to go to your council with a specific and justifiable recommendation for a position to take at the bargaining table and be able to learn what council is prepared to pay in the light of that information. You will, therefore, be going to the bargaining table as an informed negotiator with the backing and support of council.

There is one final category of information that will be of help to you both in establishing a bargaining position and at the negotiating table itself. Part and parcel of putting together information preparatory to meeting with the union is developing a profile of your own work force. What classes do your employees fall into? Are they young or old? Are they male or female? This information will help you to determine how you should load your offer. You should weight your offer so that it will have the greatest impact on the largest number of people. For example, if the majority of your employees are in their 20's, they will likely be more interested in immediate wage increases than they will be in pension improvements. While you are doing this, it is also a good idea to learn about the union negotiating team, those of your employees you will be facing across the bargaining table.

If you are able to do all of the foregoing, you will find that you can go to negotiations as a prepared and competent representative of your municipality. You will have an approximate idea of what the union will be demanding and you will be able to calculate the cost of those demands. You will know whether a union demand is reasonable or not. You will not have to be in a situation where you can only react to union demands and go back to council for further instructions; you will be able to respond with an intelligent and informed counter-offer.

Do you want more information on this subject? Ask any of the field officers of the Local Government Division. They are located at these addresses:

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